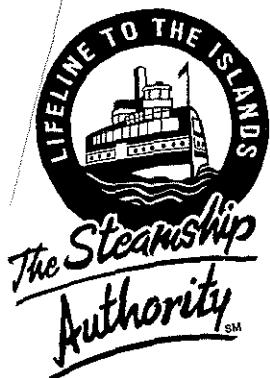


STAFF SUMMARY

Date:

February 7, 2019

File # GM-710



TO:		FROM:
	General Manager	Vote
X	Board Member	Information
Subject:		Proposed Process to Proceed with the Implementation of HMS Consulting Recommendations

PURPOSE:

To proceed with the SSA on to a process-based approach to management, as recommended by HMS Consulting) in its report on its comprehensive review of the SSA's operations, dated December 13, 2

Item 1. HMS's proposal to assist SA in developing a Recommendations Implementation Plan.

John Sainsbury of HMS told us that Friday he will be giving us a proposal to provide implementation planning services to us with implementing the recommendations contained in HMS's report. Because I have not seen the proposal, I cannot make any recommendations about it at this time, but I note that it would benefit from receiving assistance in prioritizing the order in which HMS's recommendations are pursued and planning how best to implement them. Previously, HMS has indicated that assistance would be a small project for the purpose of developing a Recommendations Implementation Plan, including a kickoff workshop with the Members and key managers, the development of the plan itself, and then quarterly check-ins to aid the implementation of the first recommendations.

Meanwhile, we have chosen to discuss HMS's recommendations with John Sainsbury, and he has indicated that we are the right approach by beginning to prioritize and address HMS's more specific recommendations to develop intermediate solutions for certain issues without waiting until we develop and implement a Safety Management System (SMS) and Quality Management System (QMS), as intermediate solutions ultimately will become part of those systems. We also have discussed proceeding to hire a Director of Marine Operations and a Director of Health, Safety, Quality, and Environmental Protection, as well as issuing a request for proposals for consulting services for us to begin developing and implementing an SMS and QMS.

At this point we are not asking Members to discuss any possible alternatives to some of HMS's recommendations, as we note that those discussions will take place as part of the process of developing a recommendations implementation plan, ideally with HMS participating in those discussions. In this regard, Sainsbury has acknowledged that there may be a lot of really good ideas about possible alternatives to some of HMS's specific recommendations and he has stated that, when discussing the alternatives, the consideration will be whether the alternatives meet the objectives of HMS's recommendations. We anticipate that these discussions will include:

- Whether the SSA should have a Chief Operation addition to a Director of Operations and a Port Captain, which may depfether the SSA also retain Assistant Port Captain position.
- What would be the best organizational structuring that the Engineering and Maintenance Department serves as an effectivunction for the SSA's marine operations and shore operations instead of as a lon.
- Whether the Health, Safety, Quality and Envir?rotection Director (HSQE Director) should be in the General Counsel's oport directly to the General Manager.
- Whether the SSA should also hire a Planner to 4 implemting and maintaining its strategic plan and, if so, whether this Planner alsoonsible for developing the strategic plan instead of having the SSA engage a consulthal purpose.

Item 2. Creation of the Director of Marine Operations and HSQE Director positions.

Meanwhile, everyone agrees with HMS's recommendation we should transition to a process-based approach to management and that, in order to do so, first need to have the following new positions:

- Director of Marine Operations (at a proposed Gradelevel ie same grade level as the SSA's Director of Information Technologies, Director of Engineering and Maintenance, and Operations Manager).
- Director of Health, Safety, Quality and Environmental Prot (HSQE Director) (at a proposed Grade Level 14, the same grade level as the SSA Director of Security, Facilities Maintenance Manager and Vessel Maintenance Manager).

Attached are HMS's draft job descriptions for those positions (as the other positions it has recommended be created). Accordingly, I am now asking the Mem create those two positions at those grade levels.

Item 3: Issuing a request for proposals for consulting services to develop and implement an SMS and QMS.

I also am asking the Members to vote to authorize me to isquest for proposals for consulting services to assist us in transitioning to a process-based h to management, including the development and implementation of a new safety mint system (SMS) and quality management system (QMS) (the "RFP"). The current draRFP was emailed to the Members yesterday.

We are planning to place advertisements of the RFP not on local newspapers, but also in the March 2019 issues of the Passenger Vessel Associationorn magazine as well as the Marine News and Maritime Reporter magazines. In addition, email all of the consulting firms who received copies of our request for proposals last year forehensive review of our operations so that they are notified of the availability of this RFP, will also email nine other

firms which we have identified through an internet search as specifically providing consulting services to marine operators for the development and implementation of SMSs and QMSs.

The current draft of the RFP does not yet establish a date for the deadline for submitting proposals. I am suggesting that a mid-to-late April 2019 deadline be established, which will provide consulting firms with more than sufficient time to prepare their proposals after the RFP is advertised in the March 2019 issues of Foghorn, Marine News and Maritime Reporter. I also am suggesting that the Members schedule a special meeting in late April or early May 2019 to evaluate the firms' consulting proposals and then hopefully open their financial proposals and award the contract (subject to negotiations) at the same meeting.



Robert B. Davis
General Manager

PROJECT: Comprehensive Review
CLIENT: The Steamship Authority
CONTACT: Steven Sayers

SUBJECT: Qualifications and Responsibilities of Proposed Positions

INTRODUCTION:

At the request of the Steamship Authority, the following qualifications and responsibilities of proposed positions is provided for planning purposes.

DIRECTOR OF HEALTH, SAFETY, QUALITY AND ENVIRONMENTAL:

The Director of HSQE is primarily responsible for oversight of development, implementation and ongoing maintenance of management systems to advance the SSA's health, safety, quality and environmental protection goals.

Responsibilities

- Provide strong leadership in the pursuit of reducing risks and hazards in the workplace
- Provide functional guidance to each operating department
- Work with SSA leadership to establish a HSQE vision and safety culture
- Work to continuously improve strategies and tactics aimed at preventing injuries and environmental incidents
- Identify potential risks and work jointly with operating departments to develop mitigation plans and strategies

Qualifications

- Strong knowledge of HSQE programs, including ISO/ISM and best practices
- Strong knowledge of maritime regulations at federal and state levels
- Knowledge of workplace safety regulations at federal and state levels
- Knowledge and familiarization of marine operations and the maritime industry
- Minimum of a Bachelors degree, MBA or equivalent degree preferred
- Minimum of 10 years HSQE and/or maritime leadership experience
- Experience working in a strong safety culture

CHIEF OPERATING OFFICER (COO):

The Chief Operating Officer is primarily responsible for oversight of the SSA's operating departments, ensuring strategic coordination and support of the organization's primary goals and objectives.

Responsibilities

- Provide leadership in the development and execution of operational strategies and plans, financial performance and safety performance against key performance indicators.
- Direct and manage the vessel operations, fleet maintenance and terminal and parking operations.
- Lead, support and develop a high-performing operations team through assessing the team's capabilities, proactively resolving gaps, actively coaching leaders and delegating duties to empower and enhance ownership of all employees.
- Develop and oversee best practices, programs, policies, and/or procedures to reduce or eliminate organizational risk, safety and accident prevention, employee health and wellness and overall risk management education.
- Ensure compliance with all regulatory requirements.

Qualifications

- Minimum of 10 years maritime leadership experience and significant interaction with senior executives
- Minimum of a Bachelors degree, MBA or equivalent degree preferred
- Superior leadership, communication and people management skills
- Effective at diagnosing and correcting work flow issues and problems; always striving for continuous improvement
- Knowledge and familiarization of marine operations and the maritime industry
- Strong knowledge of maritime regulations at federal and state levels
- Knowledge of workplace safety regulations at federal and state levels
- Strong knowledge of HSQE programs, including ISO/ISM and best practices
- Experience working in a strong safety culture

DIRECTOR OF MARINE OPERATIONS (DMO):

The Director of Marine Operations is primarily responsible for daily oversight of all vessel operations and ensuring all organizational goals relating to the delivery of safe transportation are met.

Responsibilities

- Manage fast-paced day-to-day operations of the fleet
- Continuously identify and implement operational improvements
- Establish clear goals and objectives and direct the vessel management teams in their achievement
- Establish best practices, policies and procedures to provide guidance to vessel crews in the consistent operation of the fleet.
- Support development and implementation of vessel training programs. Ensure fleet-wide compliance with training goals.

- Maintain and continuously improve safety and environmental standards and procedures and ensure their full implementation throughout the fleet.
- Investigate incidents, injuries and near-misses and develop corrective actions to ensure further prevention.
- Manage fleet financial performance.
- Work closely with other operational managers and departments and coordinate efforts to further the operational goals of the organization.

Qualifications

- Minimum of 5 years maritime leadership experience
- USCG Master's license preferred
- Minimum of a Bachelor's degree in marine transportation or related fields
- Superior leadership, communication and people management skills
- Strong problem solving and analytical skills, ability to design and analyze operational performance metrics
- Strong knowledge of marine operations and the maritime industry
- Knowledge and experience with high speed craft operations
- Strong knowledge of maritime regulations at federal and state levels
- Strong knowledge of HSQE programs, including ISO/ISM and best practices
- Experience working in a strong safety culture

PORT CAPTAIN:

The Port Captain is primarily responsible for direct oversight of vessel operations and providing guidance to vessel Masters to ensure consistent and safe delivery of marine transportation functions.

Responsibilities

- Continuously identify and implement operational improvements
- Establish best practices, policies and procedures to provide guidance to vessel crews in the consistent operation of the fleet.
- Support development and implementation of vessel training programs. Ensure fleet-wide compliance with training goals.
- Maintain and continuously improve safety and environmental standards and procedures and ensure their full implementation throughout the fleet.
- Ensure regulatory compliance of fleet, provide vessel Masters with guidance in maintaining vessels in compliance.
- Investigate incidents, injuries and near-misses and develop corrective actions to ensure further prevention.
- Support and guide fleet financial performance.
- Manage and deploy vessel crews ensuring experience levels meet operational requirements.

Qualifications

- Minimum of 3 years shoreside management experience
- USCG Master's license preferred
- Minimum of a Bachelors degree in marine transportation or related work experience
- Strong communication and people management skills
- Strong knowledge of marine operations and the maritime industry
- Knowledge and experience with high speed craft operations
- Strong knowledge of maritime regulations at federal and state levels
- Strong knowledge of HSQE programs, including ISO/ISM and best practices
- Experience working in a strong safety culture

PROJECT ENGINEER:

The Project Engineer is responsible for the planning and management of all vessel repair and overhaul projects, major capital projects and new vessel construction.

Responsibilities

- Project planning to include definition of the scope of work, establishing realistic budget estimates and execution timelines.
- Identify metrics by which to determine project success.
- Establish project management protocols to guide project teams, including inspections and field test parameters, quality control measures, reporting and documentation of project progress.
- Mentor and train project teams. Establish minimum standards for project managers and other team members.
- Collaborate with Port Engineers to define the scope of work and develop consistent work specifications.

Qualifications

- A minimum of 4 years project planning experience, preferably in marine transportation or shipyard environment
- A Bachelors degree in engineering
- Project Management Professional (PMP) certification or equivalent level of experience
- Field management experience
- Enterprise-level computer platform experience

